



Fall, 2007

# View From the Peak

**Boulder-Jefferson County FSA**  
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**County Committee**  
**Bill Haselbush, Chairperson**  
**Bonnie Smith, Vice Chairperson**  
**Craig Sterkel, Member**

**Monday—Friday 7:30 to 4:00**

**Office Staff**  
**Jean Turner, CED**  
**Dana Bachman, PT**  
**Terri Jo Laber, PT**

## Special points of interest:

- ☞ **Disaster Programs**
- ☞ **COC Election**
- ☞ **NAP**
- ☞ **DCP**
- ☞ **USDA Food Drive**

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## DISASTER PROGRAMS AVAILABLE

**Crop Disaster Program (CDP)** provides benefits to farmers who suffered quantity losses in 2005, 2006, and 2007. Only one year may receive benefits. No ending date has been announced.

Sign-up for quantity losses under CDP began Oct 15, 2007 at local FSA service centers. Sign-up for quality losses under CDP will be announced at a later date. FSA offices may accept information from producers about quality losses when producers submit applications for quantity losses. However, the quality loss applications will only be considered complete after the quality loss sign-up date has been announced and all other information necessary to determine eligibility is received by FSA. Also, FSA will not consider applications completed for any loss, including quantity loss, until a final rule has been issued for this program.

**Eligibility**—Only producers who obtained crop insurance coverage or coverage under the Noninsured Crop Disaster Assistance Program (NAP) for the year of loss will be eligible for CDP benefits. Participants must have been in compliance with Highly Erodible Land Conservation and Wetland Conservation provisions for the applicable crop year. FSA bases each eligible participant's share of a disaster payment on the participant's ownership entitlement share of the crop or crop proceeds, or, if no crop was produced, the share of the crop the participant would have received if the crop had been produced. If the participant has no ownership share of the crop, the participant is ineligible for assistance under CDP.

**Eligible Damaging Conditions**—A producer may be eligible for CDP if the crop losses resulted from any of the following:

- ☞ Damaging weather, such as drought, excessive moisture, hail, freeze, tornado, hurricane, typhoon;
- ☞ An adverse natural occurrence, such as earthquake or flood; or
- ☞ A condition related to damaging weather or an adverse natural occurrence, such as excessive wind, excessive heat, saltwater intrusion, irrigation water rationing, disease or insect infestation.

**Qualifying Quantity Crop Losses** –To receive CDP benefits for quantity losses, the FSA county committee must determine that, because of eligible damaging weather, the producer:

- ☞ Was prevented from planting a crop
- ☞ Sustained a loss in excess of 35% of the expected production of a crop; or
- ☞ Sustained a loss in excess of 35% of the value for value-loss crop.

In determining production, participants must supply verifiable, reliable production records to substantiate production to the FSA county committee.

**Sign-up began Sep 10, 2007 for the Livestock Indemnity Program (LIP) and the Livestock Compensation Program (LCP).** No final date has been announced for ending the LIP or LCP.

**LIP:** The law authorizing the LIP program requires that the death losses must be directly related to an approved natural disaster for the county. This means that the event that caused the loss has to be the same event the county received a disaster declaration for. Neither Boulder nor Jefferson County are designated for severe winter storms/blizzards therefore are not eligible for this program. Drought is not an eligible disaster event for LIP.

**LCP:** This program provides benefits to livestock producers for feed losses and additional feed costs incurred due to natural disasters occurring Jan 1, 2005 to Feb 28, 2007.

**Eligible producers**—either owned or cash leased eligible livestock on the beginning date of applicable disaster period (check with county office for details). Must have suffered an eligible feed loss from produced or purchased forage or feed, or incurred additional costs as the result of an eligible disaster event during the applicable period and the feed lost or additional costs were intended for use with eligible livestock.

**Eligible livestock**—Must have been physically located in an eligible county on the beginning date of the applicable disaster period; been maintained for commercial use as part of a farming operation.

To apply you must provide the following information:

- ☞ Number & type of livestock on hand for year designated
- ☞ Acres of dry land pasture owned or cash leased
- ☞ Details on pasture lease
- ☞ Dollar value, amount and type of feed purchased in excess of normal (include receipts)
- ☞ Location of livestock during the disaster year.

If any questions, please contact the county office.

**"More information about LCP, LIP and CDP is available in a fact sheet titled, Agricultural Assistance Act of 2007, found on FSA's Web site, <http://www.fsa.usda.gov>; click on Disaster Assistance Programs."**



## **IMPORTANT IRS INFORMATION FOR LIVESTOCK PRODUCERS**

The IRS recently released tax benefit information for livestock producers... As in 2006, producers affected by drought conditions may qualify for certain tax benefits. The 4-year replacement period under section 1033(e)(2) is extended for livestock sold because of drought. The IRS identifies eligible states and counties in the appendix of IRS notice 2007-80. Tax preparers and taxpayers will want to consult this notice when determining if an extension is applicable to their respective situation.

**Note: This information is being provided as a service to the IRS... Please contact your tax consultant for detailed information and preparation assistance.**

**NAP insurance coverage is available for any crops not insured by Federal Crop Insurance. The cost is minimal at \$100 per crop not to exceed \$300 per county and not to exceed \$900 for all crops and counties you have an interest in!**

## **NON-INSURED CROP DISASTER PROGRAM (NAP)**

Producers who have no crop changes from their 2007 NAP contract have the option of continuous coverage. However, the applicable service fee must be paid by the application closing date. This allows you to just send in the money, eliminating a trip to our office to sign a new NAP contract. The service fee is still \$100/crop up to \$300/county (unlimited number of NAP crops) with a cap of \$900/multi-county producer.

**2008 APPLICATION CLOSING DATES**—The deadline to purchase coverage for apples and cherries (fruits) is **Nov 20, 2007**. **Dec 1, 2007** is the deadline for alfalfa, mixed forage, grass, and honey. Vegetables, NI Corn, forage sorghum, and oats closing date is **Mar 15, 2008**.

Further information on **NAP** is available from your local FSA office or on FSA's Web site at: [www.fsa.usda.gov](http://www.fsa.usda.gov)

## **2006 FINAL COUNTER-CYCLICAL (CC) RATES FOR CORN AND SORGHUM**

The Farm Security and Rural Investment Act of 2002 provides for CC payments for covered commodities and peanuts beginning with crop years 2002 through 2007. Corn, rice, sorghum, and soybeans did not receive 2006 first or second advance CC payments.

Final CC payments will not be issued for corn, rice, sorghum and soybeans for crop year 2006, because their effective prices exceed their respective target prices.

	Corn	Sorghum
	Dollars Per Bushel	
<b>Target Price</b>	2.63	2.57
National Average Loan Rate	1.95	1.95
National Average Farm Price		
Higher of Loan Rate or Farm Price	3.00	3.30
Direct Payment Rate	0.28	0.35
<b>Effective Price</b>	<b>3.28</b>	<b>3.65</b>
<b>Final CC Payment Rate</b>	<b>0</b>	<b>0</b>



## **FARM RECONSTITUTIONS**

In program terminology, farms are *constituted* to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm recon. Remember, to be effective for the current year, recons must be requested by Aug. 1 for farms enrolled in the Direct and Counter-cyclical Program.

**Estate Method** — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

**Designation of Landowner Method** — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

**DCP Cropland Method** — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

**Default Method** — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

If DCP direct payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded.

## **WETLAND DETERMINATION IDENTIFIERS**

Blue dots representing NRCS wetland determinations on FSA maps were changed to red, yellow, and green symbols to represent different categories of wetland determinations beginning in May 2007.

- ☞ Red octagons represent "Restricted Use" determinations
- ☞ Upside-down yellow triangles represent "Limited Restrictions" determinations, and
- ☞ Green circles represent "Exempt from Conservation Compliance Provisions" determinations.

The change to the wetland determination identifiers does not change the wetland determinations made by NRCS, nor does it change FSA or NRCS wetland policy or regulations. The wetland determination identifiers do not represent the size, shape, exact location or category of wetland determination, but are used primarily for information when producers make crop acreage reports, change field boundaries, or request a map of their land from FSA. USDA participants remain responsible for self-certifying compliance with wetland conservation provisions.

## **FSA ASSISTS WITH CROP INSURANCE COMPLIANCE**

Legislation mandates that FSA and RMA (Risk Management Agency), the agency that administers the Multi-Peril Crop Insurance Program, work closely together to improve program compliance and reduce fraud and abuse.

FSA will assist RMA with auditing claims, monitoring crop conditions throughout the growing season, referring suspected cases of fraud, abuse and waste to RM and verifying other discrepancies found. Producers are encouraged to report suspected cases of fraud, abuse and waste to their local County Office, RMA office, or OIG.

Remember, waste and abuse causes everyone's insurance to cost more!

## **DISTRESS LOAN PROGRAM POLICY REMINDERS**

It is expected that during the 2007 crop year harvest there will be an increase in grain storage demands. Reported 207 crop planted acres dictate that the grain commodity production will be greater than past crop years and sufficient farm storage may **not** be available at harvest time for these commodities

Temporary storage is authorized **only** under the distress loan program and **must** be authorized by State Committee (STC).

STC's may initiate the distress loan program when **both** of the following apply:

- ☞ Commodity is stored on the ground or in temporary facilities
- ☞ There is a shortage of storage at harvest time:
  - On the farm
  - In local warehouses

The storage location for the commodity offered as collateral for the distress loan **must** be **both** of the following:

- ☞ Protected from animals
- ☞ Located so that water draining will **not** seriously affect the quality or quantity of the commodity.

The maximum quantity eligible for a certified or measured distress loan shall **not** exceed 75% of the eligible quantity.

Distress loans mature on demand, but no later the 90 calendar days after the date the loan is disbursed.

## **RE-ENROLLING EXPIRING CRP-1 ACREAGE INTO NEW CRP-1'S FOR CONSERVATION RESERVE ENHANCEMENT PROGRAM (CREP)**

CRP-1's for continuous signup will first start to expire on September 30, 2007. CRP-1's for CREP signup first start to expire on September 30, 2008.

These policies apply to re-enrolling expiring CRP-1 Acreage into new CRP-1's for CREP:

- ☞ Expiring CRP-1 acreage is considered basically eligible for CRP enrollment, including needed and feasible eligibility criteria.
- ☞ CREP agreement provisions apply
- ☞ Otherwise eligible expiring CRP-1 acreage shall be enrolled under a CREP practice listed in the CREP agreement, even though vegetative covers and other practices already exist on the site.
 

**Note:** Enrollment in CREP may require participant action to meet CREP agreement requirements.
- ☞ Otherwise eligible land **not** currently enrolled may be added to adjacent expiring CRP-1 acreage to meet current practice standards under the CREP project's practices, according to the CREP agreement and FSA's 2-CRP State CREP supplement, as determined by NRCS or technical service provider (TSP).

For more information contact the FSA office.

## *Dates to Remember ~*

### **LIVESTOCK INDEMNITY PROGRAM (LIP) /LIVESTOCK COMPENSATION PROGRAM (LAP)**

- ☞ **SEP 10, 2007** Signup begins

### **CROP DISASTER PROGRAM (CDP)**

- ☞ **OCT 15, 2007** Signup begins

### **OFFICE CLOSED**

- ☞ **Nov 12, 2007**—Veteran's Day
- ☞ **Nov 22, 2007**—Thanksgiving Day
- ☞ **Dec 25, 2007**—Christmas Day
- ☞ **Jan 1, 2008**—New Year's Day

### **2008 ELECTION**

- ☞ **Nov 2, 2007** Ballots mailed to eligible voters
- ☞ **Dec 3, 2007** Last day to return/postmark complete ballots
- ☞ **Dec 7, 2007** Count Ballots
- ☞ **Jan 1, 2008** Elected committee members and alternatives take office



### **NONINSURED CROP DISASTER ASSISTANCE PROGRAM (NAP)**

15 days after disaster condition occurs to report loss to county office

### **Application Closing Date for 2008:**

- Nov 20, 2007** Apples, Cherries (fruits)
- Dec 1, 2007** Alfalfa, Mixed Forage, Grass, Honey
- Mar 15, 2008** Forage Sorghum, Fruits (melons) & Vegetables (FAVs), Millet, NI Corn, Oats, Soybeans, Sunflowers

- ☞ **Production reporting date for 2007 crop:** July 15, 2008

### **USDA FOOD DRIVE**

- ☞ **Nov 19—Dec 7, 2007**

### **2007 LDP SIGNUP DEADLINES:**

- ☞ **Jan 31, 2008** Wool and Mohair
- ☞ **Mar 31, 2008** Barley, Honey, Oats, and Wheat
- ☞ **May 31, 2008** Corn, Grain Sorghum, Sunflower Seed

### **PREVENTED PLANTING**

- ☞ 15 days after disaster or end of planting period

## **USDA Holiday Food Drive**

**November 19—December 7, 2007**

Proceeds donated to the OUR Center

The United States Department of Agriculture, along with St Vrain Valley Young Farmers, Liberty Livestock and Northeast Boulder County 4-H Clubs, is coordinating and promoting a holiday food drive to help fight hunger. The food drive begins November 19 and runs through December 7.

All nonperishable food items and/or cash donations are being accepted at the Boulder-Jefferson County USDA Service Center, located on the Boulder County Fairgrounds at 9595 Nelson Road. A drop off location is also located at Rocky Mountain Offices in Sekich Business Park at 4309 State Hwy 66. Proceeds from this food drive will be donated to the OUR Center in Longmont, the Mead Community Food Bank, and the Trinity Housing Authority in Greeley.

Your contributions are tax deductible (a receipt will be furnished upon request).



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Revised: 6/8/2005

★ **DATE OF ELECTION—DECEMBER 3, 2007** ★

**Prospective Voter Requirements:** The voter must be eligible to participate in any FSA program provided by law, regardless of the status of funding and must meet one of the following requirements:

- Discrimination Prohibited:**

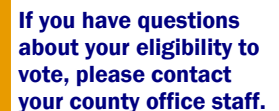
No person shall be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

**2008 COC ELECTION SCHEDULE**

- ★ **Nov 2 2007**—Ballots mailed to eligible voters
- ★ **Dec 3, 2007**—Last day to return completed ballots
- ★ **Dec 7, 2007**—COC Counts ballots in county office
- ★ **JAN 1, 2008**—Elected committee members and alternates take office

Nomination forms and fact sheets are also available at:

<http://www.fsa.usda.gov/pas/publications/>



**Be sure to cast your ballot for the Committee Election. The County Committee system is an important part of the FSA system and your help in electing the best qualified candidate is appreciated.**

**“Remember to sign  
your ballot!”**

